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12 SEP 1958

MEMORANDUM FOR: Chief, Finance Division  
Chief, Fiscal Division  
Chief, Budget Division  
Chief, Machine Records Division  
Chief, Technical Accounting Staff  
Chief, Financial Analysis Staff  
Chief, Financial Management Improvement

SUBJECT : Killian Committee Semi-Annual Report

1. The semi-annual report to the Killian Committee outlining activities and progress for the period 1 April through 30 September 1958 is due in the Office of SPA/DCS during the first week of October 1958.

2. In order that a consolidated report may be made for the Comptroller's Office it is requested that you submit your portion of the report to me no later than 22 September 1958.

3. Copies of your submission for the period 1 October 1957 through 31 March 1958 are available in the Comptroller's Office for reference purposes.



Deputy Comptroller



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FINANCIAL MANAGEMENT IMPROVEMENT PROGRAM

The Agency is placing an increasing emphasis on its Financial Management Improvement Program and during Fiscal Year 1958, the Comptroller designated it as one of the responsibilities that would receive full-time attention. The ultimate objective of the program is the development of cost data that will serve two purposes, the preparation of cost based budgets as required by P.L. 863, and the use of cost information by management at all levels as an aid in controlling and improving operations.

Some of the more important activities during this period were:

1. The review of cost systems in other Agencies as a background for developing the CIA system.
2. The development of a set of cost principles and policies on which the CIA system will be based.
3. The development and offering of instructional courses and conferences designed to give a background in costing to personnel responsible for financial operations.
4. The planning and implementing cost experiments in an effort to determine:
  - a. The value of costing certain items such as printing and supplies, and
  - b. The procedures to be used if it is determined to cost those items.In addition, these are other experiments designed to provide information on:
  - a. At what organizational or activity level should cost data be collected for both internal management and Agency budgetary purposes, and
  - b. What degree or in what detail should cost information be collected to assist internal management.